In the Claims:

Please amend the claims as follows:

1. (Currently Amended) ~~In a smart compact device, a~~ A user interface of a smart compact device comprising:

a display screen ~~in communication with an activating object that is capable of~~ configured to report~~ing~~ ~~X and Y~~ position information , said display screen adapted to communicate with an activating object disposed in at least one of a ~~first~~ touching state and a ~~second~~ proximate non-touching state; and

means configured to display data ~~displayed~~ on said display screen ~~in response to a selection of said first state or said second state~~ responsive to said activating object being disposed in said proximate non-touching state for a selected time period.

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2. (Currently Amended) The user interface of claim 1, wherein said ~~second state is entered~~ selected time period is of a duration that ends substantially immediately after ~~when~~ said activating object is disposed ~~placed~~ in ~~proximity to, but not in contact with, said display screen~~ said proximate non-touching state.

3. (Currently Amended) The user interface of claim 1, wherein said selected time period is a short length of time ~~second state is entered following a selected time delay period after said activating object is placed in proximity to, but not in contact with, said display screen~~.

4. (Currently Amended) The user interface of claim 1, further comprising a means configured to hide at least a portion of said ~~wherein said~~ data ~~displayed on said display screen is displayed or hidden in response to a selection~~

~~of either said first state or said second~~ responsive to said activating object being disposed in said touching state.

5. (Currently Amended) The user interface of claim 1, wherein said display screen includes ~~user interface employs~~ an inductive sensing system.

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6. (Currently Amended) The user interface of claim 1, wherein said user interface employs a ratiometric measurement technique with a plurality of ~~small number of~~ coils that each extend across a sensing area.

7. (Currently Amended) The user interface of claim 1, wherein said smart compact device displays said data in a windows.

8. (Canceled) The user interface of claim 4, wherein additional data related to at least part of data displayed on said display screen is displayed in response to said second state.

9. (Canceled) The user interface of claim 5, wherein additional data related to at least part of data displayed on said display screen is displayed in response to said second state.

10. (Canceled) The user interface of claim 6, wherein additional data related to at least part of data displayed on said display screen is displayed in response to said second state.

11. (Canceled) The user interface of claim 8, wherein said additional data is displayed only after said activating object has been held above the display for a pre-selected period of time.

12. (Canceled) The user interface of claim 9, wherein said additional data is displayed only after said activating object has been held above the display for a pre-selected period of time.

13. (Canceled) The user interface of claim 10, wherein said additional data is displayed only after said activating object has been held above the display for a pre-selected period of time.

14. (Currently Amended) The user interface of claim ~~61~~ 1, wherein once said ~~additional~~ data has been displayed, touching said activating object to said display screen substantially on said ~~additional~~ data causes a first action to occur, said first action being different from a second action that would have occurred if said ~~additional~~ data had not been displayed.

15. (Currently Amended) The user interface of claim 1, wherein said smart compact device is a handheld device.

16. (Currently Amended) The user interface of claim 1, wherein said activating object is selected from the group consisting of a finger~~,~~ and a pen~~, and the like~~.

17. (Currently Amended) A ~~system~~ method for presenting and manipulating information in ~~the~~ a user interface of a smart compact device, comprising:

providing ~~coupling~~ a display screen configured to ~~in communication with an activating object that is capable of~~ report~~ing~~ ~~X and Y~~ position information, said display screen adapted to communicate with an activating object disposed in at least one of a ~~first~~ touching state and a ~~second~~ proximate non-touching state;

coupling at least one processing element with said activating object;

operating control software for said activating object ~~reporting said X and Y position information~~;

determining if ~~operating control software and whether~~ said activating object is in said ~~first or second~~ proximate non-touching state;

displaying ~~operating an operating system on said at least one processing element that presents~~ data responsive to said activating object being disposed in said proximate non-touching state for a selected time period~~; and~~.

~~controlling information on said display screen in response to said activating object to selectively hide and display data in response to whether said activating object is in said first or said second state~~.

18. (Currently Amended) The ~~system~~ method of claim 17, wherein said selected time period is of a length of time that ends ~~second state is entered~~ substantially immediately after ~~by placing~~ said determining if said activating object is in said proximate non-touching state ~~said activating in proximity to, but not in contact with, said display screen~~.

19. (Currently Amended) The ~~system~~ method of claim 17, wherein said selected time period is a short length of time ~~second state is entered following a selected time delay period after placing said activating object in proximity to, but not in contact with, said display screen~~.

20. (Currently Amended) The ~~system~~ method of claim 17, further comprising:

controlling ~~wherein~~ said data ~~displayed~~ on said display screen to hide second data responsive to said activating object being disposed in said ~~is displayed or hidden in response to a selection of either said first state or said second~~ proximate non-touching state.

21. (Currently Amended) The ~~system~~ method of claim 17, wherein said display screen includes ~~user interface employs~~ an inductive sensing system.

22. (Currently Amended) The ~~system~~ method of claim 17, wherein said user interface employs a ratiometric measurement technique with a ~~small number~~ plurality of coils that each extend across a sensing area.

23. (Currently Amended) The ~~system~~ method of claim 17, wherein said smart compact device displays said data in a window~~s~~.

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24. (Canceled) The system of claim 20, wherein additional data related to at least part of data displayed on said display screen is displayed in response to said second state.

25. (Canceled) The system of claim 21, wherein additional data related to at least part of data displayed on said display screen is displayed in response to said second state.

26. (Canceled) The system of claim 22, wherein additional data related to at least part of data displayed on said display screen is displayed in response to said second state.

27. (Canceled) The system of claim 24, wherein said additional data is displayed only after said activating object has been held above the display for a pre-selected period of time.

28. (Canceled) The system of claim 25, wherein said additional data is displayed only after said activating object has been held above the display for a pre-selected period of time.

29. (Canceled) The system of claim 26, wherein said additional data is displayed only after said activating object has been held above the display for a pre-selected period of time.

30. (Currently Amended) The ~~system~~ method of claim ~~22~~17, wherein ~~following~~ once said data has been displayed, ~~displaying said additional data,~~ touching said activating object to said display screen ~~on~~ substantially on said ~~additional~~ data causes a first action to occur, said first action being different from a second action that would have occurred if said ~~additional~~ data had not been displayed.

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31. (Currently Amended) The ~~system~~ method of claim 17, wherein said smart compact device is a handheld device.

32. (Currently Amended) The ~~system~~ method of claim 17, wherein said activating object is selected from the group consisting of a finger~~,~~ and a pen~~, and the like~~.

33. (Currently Amended) A method for controlling a display of data on a user interface ~~display screen~~, comprising:

providing a ~~touch~~ display screen ~~in communication with an activating object~~ configured to report position information, said display screen adapted to communicate with an activating object disposed in at least one of a first proximate non-touching state and a second proximate non-touching state;

defining ~~a~~ said first proximate non-touching state ~~and a second state~~ by a first proximity relationship ~~and a second proximity relationship~~ between said activating object and said ~~touch~~ display screen;

defining said second proximate non-touching state by a second proximity relationship between said activating object and said display screen;

sensing a sensed relationship between said activating object and said ~~touch~~ display screen;

determining ~~whether~~ if said sensed relationship is said first proximity relationship ~~within said first state or said second state~~; ~~and~~

displaying a first group of data on said display screen following a selected time period if said sensed relationship is said first proximity relationship; ~~within said first state and displaying a second group of data on said display screen if said relationship is within said second state~~

determining if said sensed relationship is said second proximity relationship; and

displaying a second group of data on said display screen if said sensed relationship is said second proximity relationship.

34. (Currently Amended) The method of claim 33, wherein said first proximity relationship ~~is defined by~~ includes a first function related to a distance between said activating object and ~~contact and said second proximity relationship is within close proximity to~~ said display screen.

35. (Cancelled) The method of claim 34, wherein said contact is at a first pressure and said close proximity is at a second pressure less than said first pressure.

36. (Currently Amended) The method of claim 33, wherein said sensing said sensed relationship occurs for a pre-selected period of time.

37. (New) The user interface of claim 1, wherein said display screen is adapted to communicate with an activating object disposed in at least one of said touching state, said proximate non-touching state, and a third state.

38. (New) The user interface of claim 37, wherein said third state is a second proximate non-touching state different from said proximate non-touching state.

39. (New) The user interface of claim 3, wherein said short length of time is approximately one second.

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40. (New) The user interface of claim 1, wherein said data includes textual data.

41. (New) The user interface of claim 1, wherein said data includes a graphic.

42. (New) The user interface of claim 1, wherein said data includes a control object.

43. (New) The user interface of claim 1, wherein said data includes additional data.

44. (New) The method of claim 17, wherein said display screen is adapted to communicate with an activating object disposed in at least one of said touching state, said proximate non-touching state, and a third state.

45. (New) The method of claim 44, wherein said third state is a second proximate non-touching state different from said proximate non-touching state.

46. (New) The method of claim 17, further comprising:

determining if said activating object is in said touching state; and

hiding at least a portion of said data if said activating object is in said touching state.

47. (New) The method of claim 19, wherein said short length of time is approximately one second.

48. (New) The method of claim 17, wherein said data includes textual data.

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49. (New) The method of claim 17, wherein said data includes a graphic.

50. (New) The method of claim 17, wherein said data includes a control object.

51. (New) The method of claim 17, wherein said data includes additional data.

52. (New) The method of claim 33, wherein said second group of data is displayed a second selected time period after said determining if said sensed relationship is said second proximity relationship.

53. (New) The method of claim 34, wherein said second proximity relationship includes a second function related to said distance between said activating object and said display screen, said second function being different from said first function.

54. (New) The method of claim 33, wherein said second proximity relationship includes a user-controlled parameter of said user interface.

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55. (New) The method of claim 54, wherein said user-controlled parameter is defined by a switch coupled to said activating object.

56. (New) The method of claim 55, wherein said switch is a button.